

IT Professional Technical Services Master Contract

Statement of Work (SOW) For A Comprehensive Enterprise Information Security Program Funding Strategy

**Issued By
Minnesota Office of Enterprise Technology (OET)**

Project Title: Enterprise Information Security Funding Strategy

**Service Categories:
Architecture Planning & Assessment – Security
Architecture Planning & Assessment – Technical
Analyst - Risk Assessment**

Business Need

OET seeks assistance developing a strategy to provide cost-effective information security services to its customers. This strategy must clearly articulate:

- What information security services should be provided to comply with external mandates and align with widely recognized information security best practice frameworks, such as the National Institute of Standards and Technology?
- What is the industry standard delivery model for each information security service? Possible options range from centrally delivered services to complete decentralization or a hybrid approach.
- What is the industry standard cost model to fund recovery for these information security services and what are the standards for measuring service usage?
- What is the 10 year total cost to deliver each information security service to the Executive Branch of government, whether done in house or as a managed service? This total cost of ownership must take into consideration the current state of each information security service today. It also must include a separate schedule of cost projections for each service, should the State of Minnesota consolidate its information technology environments into two data centers, one serving as a primary facility and a second serving as a backup.
- What would be the risk, benefit, and incremental cost to extend each information security service to government entities outside the Executive Branch of government?

The contractor selected will be expected to develop a comprehensive strategy that addresses each of the aforementioned questions. The contractor will also be expected to participate in policy discussions with senior government leaders and legislators, as directed by OET.

Contract Term

The contractor will commence work immediately after the vendor selection process is complete, expected to be November 16, 2009. The completed strategy document must be delivered to OET by February 5, 2010.

Definitions

Respondent:

A qualified vendor/contractor, which is registered with the State through the Master Contract Program and provides a written proposal document to be considered and evaluated in response to this Statement of Work.

Respondent's employee:

The Respondent may provide one or more employees (or sub-contractors) to meet the requirements of this Statement of Work. In this Statement of Work, the term "Respondent's employee" (singular usage) will refer to a single employee (or sub-contractor) or multiple employees (or sub-contractors).

Response:

The vendor/contractor's written proposal document submitted for consideration in response to this Statement of Work.

Project Tasks and Deliverables

The contractor deliverables will consist of, but are not limited to:

- By February 5, 2010, a Comprehensive Enterprise Information Security Funding Strategy Report that addresses in detail all questions outlined in the Business Need section of this Statement of Work.
- Up to 8 meetings to discuss and present the results with government leaders and legislators, as directed by OET.

Project Milestones and Schedule

- The consultative portions of the project will commence as soon as a contract is in place.
- The contract is expected to expire on or before June 30, 2010. The state reserves the right to start and stop various activities during the contract period. Contractor shall only engage in work as authorized by OET.
- Proposed scope, methodology, and work breakdown structure to complete the Comprehensive Enterprise Information Security Funding Strategy Report must be reviewed and approved by OET no later than November 30, 2009.
- Weekly meetings must be held with OET to discuss progress and significant issues.
- First draft of the Comprehensive Enterprise Information Security Funding Strategy Report must be delivered to OET by January 29, 2010, for review and comment.

Project Environment (State Resources)

- OET staff descriptions for purposes of this Statement of Work and the resulting contract:

	Contract Administrator	Executive Sponsor
Name	Mark Mathison	Chris Buse
Email address	mark.mathison@state.mn.us	chris.buse@state.mn.us
Postal Address	658 Cedar Street Suite 340 St. Paul, MN 55155	658 Cedar Street Suite 340 St. Paul, MN 55155
Telephone number	651.201.2792	651.201.1200

- The Respondent's primary contact will be the Contract Administrator. The Contract Administrator will be responsible for setting expectations, providing management guidance, enforcing compliance to standards, providing documentation requirements, and enforcing the terms of this contract. The Contract Administrator may delegate day-to-day management of the Respondent's employee and work assignments to an assignee.
- OET will provide working space and appropriate computer equipment, including Internet access.
 - Parking is available in the Capitol Complex area at metered parking spaces or in the ramps/surface lots at a cost through the State's Department of Administration, Plant Management Division (http://www.admin.state.mn.us/pmd/5-0_contractors_Respondents.htm or 651.201.2300).
- OET will require the contractor(s) to work closely with state employees, as services are required during the duration of the contract.
- OET retains ownership of any deliverables or interim documentation created through this engagement.
- OET will provide high-level security staff expertise to this project as follows:
 - Security Manager (250 hours): Brings to the project extensive expertise in state agency business and security practices, a broad understanding of efforts currently underway in the Enterprise Security Program, and a deep understanding of government accounting processes and financial records, including the ability to query financial systems for pertinent information.
 - Security Architect (250 hours): Brings to the project extensive knowledge of information security best practices with a deep understanding of current efforts underway in the Enterprise Security Program.
- OET will help the Respondent's employee (s) schedule meetings with stakeholders in other state agencies.
- Respondent's employee (s) may be required to pass a criminal background check conducted by the Minnesota Bureau of Criminal Apprehension.
- Respondent's employee (s) may be required to sign a confidentiality agreement before any work can begin.

Costs / Pricing/ Availability

- The State may, at its option, issue one or more contracts under this SOW. The total amount of all contracts under this project is budgeted to not exceed \$100,000.
- The result of this Statement of Work will be one or multiple work orders(s) to augment OET's existing staff.

- For purposes of this Statement of Work, the Respondent's employee (s) will be available for on-site visits to state agencies located within the boundaries of the State of Minnesota.
- The State requires an accounting of hours-billed to be submitted via monthly invoice and "Service Log(s)" to the Contract Administrator. Payment will be made on a per hour basis after satisfactory completion of work. A sample copy of the "Service Log" is attached.
- Contacts made by the State via email or phone must be answered within four hours during a regular workday (Monday – Friday, 8 a.m. – 5 p.m.).
- The Respondent's employee (s) will report to and receive direction from the Contract Administrator and/or his/her assignees.
- The State will observe the following holidays:

November 11, 2009	Veteran's Day
November 26, 2009	Thanksgiving Day
November 27, 2009	Day after Thanksgiving
December 25, 2009	Christmas Day
January 1, 2010	New Year's Day
January 18, 2010	Martin Luther King's Birthday
February 15, 2010	President's Day
May 31, 2010	Memorial Day

Hourly Rates: When contractors register in the State's Professional/Technical Master Contract Program, contractors register in (1) specific categories of expertise (also called Service / Skill Categories) and (2) provide specific (maximum) hourly rates for each category. Contractors may not respond to Statements of Work with rates that exceed their registered hourly rates in the associated category. The relevant Service / Skill Categories governing this Statement of Work are found on the title page (page 1).

Travel Expenses. The State will pay zero (\$0.00) in travel costs and other related reimbursements.

Responsibilities Expected of the Selected Vendor

- Provide subject matter experts as needed to complete all required deliverables.
- Submit work products and reports detailed in the Project Tasks and Deliverables and Project Milestones and Schedule sections of this Statement of Work.

Required Skills

These are to be scored as pass/fail requirements; a "fail" in any of the following minimum requirements will result in automatic disqualification.

- The respondent must demonstrate that it has six or more years experience designing information security programs for organizations with 10,000 or more employees and multiple locations, using a nationally recognized framework (ISO 27001/17799, NIST, COBIT, etc.) as a basis.
- The respondent must demonstrate that it has three or more years experience developing appropriate cost and cost recovery models for information security programs in organizations with 10,000 or more employees and multiple locations.

Desired Skills

- Extensive understanding of governmental accounting practices.
- Extensive experience developing information security programs for government clients.
- Experience working on information security projects with government agencies.

SoW Evaluation Process

The State will verify that minimum requirements have been met as described in Response Requirements section.

Responses, with résumés of assigned staff members, must be submitted that contain information needed to evaluate Respondent's employees on these factors.

Responses to this Statement of Work will be evaluated in four phases:

- Phase 1: Pass/fail evaluation of the items in the Minimum Requirements and Immigration Requirement sections (a "fail" in any one of the items disqualifies the Response from further evaluation).
- Phase 2: Pass/fail evaluation of the items in the Required Skills section corresponding to the specific position for which the Respondent's employee is to be considered (a "fail" in any one of the items disqualifies the Response from further evaluation). Additional scoring will be given for each three years of experience beyond the minimum criteria.
- Phase 3: Scoring of Respondent's employee to the criteria listed herein is based upon the information provided in the response, including any provided examples of potential work product deliverables
- Phase 4: Personal interviews may be conducted, if deemed necessary by the Evaluation Team. The top-scoring Respondent employees will be invited to a personal interview. The State requires that the Respondent's employees will be available for these interviews.

Respondent's will be scored as follows:

- Desired Skills (20%)
- Required Skills (20%)
- Personal Interview (20%)
- Proposed work product examples (10%)
- Cost (30%) (include rate per hour)

Respondents that elect to propose multiple staff should send résumés for each proposed team member. The respondents score will be based upon an average of each proposed team member.

Interviews:

- Interviews with potential Respondent's employee(s) will be conducted either onsite or by phone. Onsite interviews will be held at 658 Cedar St., St. Paul, MN 55155.
- Notice of invitation for an interview will be given as soon as possible after the initial evaluation of responses.
- The Respondent will be responsible for all of their costs related to their interview such as time, travel, lodging, meals, and parking. The State will not provide reimbursement.
- Respondents will be expected to describe and/or demonstrate their qualifications in fulfilling the requirements in the Required and Desired Skills section.

Statement of Work Process Schedule

Statement of Work published	11/4/2009
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Deadline for Questions from Respondents	11/5/2009
Response to Questions Posted on web-site	11/6/2009
Proposals due from Respondents	11/10/2009 2:00 PM Central Time
Proposal evaluation begins	11/10/2009
Anticipated Interviews scheduled, conducted, and completed	11/13/2009
Anticipated proposal evaluation & decision	11/16/2009

Minimum Requirements

These are to be scored as pass/fail requirements; a “fail” in any of the following minimum requirements will result in automatic disqualification.

Required minimum qualifications:

- Is the Respondent registered in the Master Contract Vendor Service Category listed on the title page of this Statement of Work?
- Is the hourly rate(s) quoted by the Respondent equal to or less than the maximum hourly rate associated with the Service / Skill Category?
- Are the following forms completed, signed, and returned with your proposal as an attached scanned document?
 - Affidavit of non-collusion found at <http://www.mmd.admin.state.mn.us/doc/noncollusion.doc>
 - Location of Service Disclosure found at <http://www.mmd.admin.state.mn.us/Doc/ForeignOutsourcingDisclosureCertification.doc>
 - Affirmative Action found at [http://www.state.mn.us/mn/externalDocs/OET/Affirmative Action_031105012439_Affirmative%20Action.doc](http://www.state.mn.us/mn/externalDocs/OET/Affirmative_Action_031105012439_Affirmative%20Action.doc)
 - See Immigration Requirement Section; Immigration Status Certification found at <http://www.mmd.admin.state.mn.us/doc/immstatcert.doc>

Response Requirements

To be considered for this Statement of Work, the Respondent must submit a response to this Statement of Work.

The response to this Statement of Work must be in Microsoft Word Document or Adobe PDF format.

- The response shall be arranged in the following sequence, and include the following:
- Executive Summary: one-page maximum.
- Company information: Generally describe company history, growth. Provide current financial data, if publicly available. Generally describe organization and staffing.
- Respondent’s employee’s experience:
Describe Respondent’s employee’s experience with similar projects.
Qualifications: Describe Respondent’s employee’s experience within each of the desired skills.
- Respondent’s employee’s qualifications:
Provide the following information for the proposed employee-

Summarize the Respondent's employee's experience and education and briefly describe how those qualities would support the requirements of this Statement of Work.

- Any proposed work product deliverables, scope, and/or methodologies. Examples from previous experiences are encouraged.
- Cost Proposals (hourly rates with not to exceed cost, please refer to "Hourly Rates" section).
- Individual resumes of Respondent's employees to be assigned to project, with the expectation that these Respondent's employees are available to work as part of this contract
- Three references must accompany each resume and may be contacted by OET; Resumes must outline Respondent's employee's background and experience.

Respondent's employee: three references.

- Describe work performed and explain how (why) this reference is relevant to this Statement of Work.
- Provide company name, contact's name, contact's telephone number, and location where work was performed.
- For Evaluator's use: How similar was the work performed compared to this project? How satisfactory was the work performed? Any other plaudits and/or concerns?

Proposal Submission Miscellany

- Response Information:
 - a) The Respondent's response shall be delivered as specified in the section Submission of Questions and Final Response.
- Key dates:
 - a) Response Due Date: Refer to the section Statement of Work Process Schedule.
- Price guarantee
 - a) The Respondent's price/terms shall be guaranteed for 60-days from the Response Due Date.
- Constraints or rules on contractors

Respondents may not contact any State employee concerning this Statement of Work, with the exception of the Question and Answer provision as listed in the section Statement of Work Process Schedule and the section Submission of Questions and Final Response

Submission of Questions

- Questions: Please submit your questions via email.
- Questions: Respondent's questions/clarifications must be addressed to and received by OET's Contract Administrator (refer to the section entitled Project Environment - State Resources) by the "Deadline for Questions" (refer to the section Statement of Work Process Schedule). (Questions sent to any other email addresses will NOT be considered.)
- Questions: Please use the words "**Enterprise Information Security Funding Strategy: Questions**" in the Subject: line of the email. Before emailing your questions, please select the standard email option of "Request a read receipt for this message".
- Questions and answers will be posted on OET's web-site (<http://www.ot.state.mn.us/mastercontract/statements/mcactivestatemnts.html>). Please find under the column heading "Document Links", the link labeled "Amendment or Addendum" associated with this Statement of Work. The project team will follow the schedule listed in the section Statement of Work Process Schedule and the specific item Posted Response to Questions.

Submission of Final Response

- Response: Please submit your response via email to the Contract Administrator.
- Response: Respondent's response must be addressed to and received by OET's Contract Administrator (refer to the section entitled Project Environment - State Resources) by the "Deadline for Final Response" (refer to the section Statement of Work Process Schedule). (Responses sent to any other email addresses will NOT be considered.)
- Response: Please use the words "**Enterprise Information Security Funding Strategy: Response**" in the Subject: line of the email. Before emailing your response, please select the standard email option of "Request a read receipt for this message".
- The Respondent's failure to follow the requirements listed in the preceding paragraphs may result in lost or delayed documents; the State shall not be responsible for lost and/or delayed documents.

Responsibilities Expected of the Selected Respondent

- Respondent staffing: In the event the Respondent's employee (s) is not able to perform under the terms of this contract, the State requires that the proposed Respondent's replacement employee (s) will undergo an interview process conducted by State personnel. The State reserves the right to accept or refuse the proposed replacement Respondent's employee (s). The contract may be extended the number of standard State workdays required to fill the vacancy (or vacancies) with an acceptable replacement (as determined through the State interview process), not to be extended past June 30, 2010.
- Providing training/ knowledge transfer: The State requires that the Respondent's employee (s) shall effectively communicate to State staff knowledge, methods, rationale, alternatives, procedures, and processes for the work performed and/or work in-progress.
- Warranty requirement: The State is purchasing specific knowledge and experience from the Respondent through this contract.
 - The Respondent's employee (s) shall fulfill the requirements of this contract.
 - The State may request a replacement, if the Respondent's employee (s) does not provide an acceptable level of expertise, introduces errors in the various systems, fails to follow security protocols, acts in an unprofessional manner, and/or fails to follow the requirements of this contract.
 - The State may at its discretion require the Respondent to provide remediation at no charge. Remediation to correct errors and/or correction of security protocols or processes may be in the form of a replacement Respondent's employee (s) at no charge or a cost equal to the amount to hire another consultant to evaluate and correct the error(s).
- Work-plan: The Work Plan shall be determined by the Contract Administrator and will incorporate the "Statement of Work Deliverables" (refer to the section Statement of Work Deliverables).
- Billing: The Respondent shall submit an invoice to the Contract Administrator within the first fifteen-days of a new calendar month for hours-worked during the preceding month at the contracted hourly rate(s). The invoice line items shall document minimally the Respondent's employee (s), date, summary of work, hourly rate, and hours worked. The OET Professional Technical Contract Log is also required in conjunction with contractor invoices.
- Single Point of Contact: The State requires that a Contractor's Practice Manager be named and serve as a single point of contact for purposes of administration of this contract. The Practice Manager will serve as liaison in the event of billing questions, issues/concerns/comments with the Contractor's employee, and contract administrative details. The Practice Manager is the counterpart to OET's Contract Administrator, who is named in the section Project Environment (State Resources), and time incurred by the Practice Manager in support of this engagement/contract is not billable.
- The Respondent will be required to sign a Work Order Contract; a sample contract may be accessed via Internet at

Immigration Requirement

By order of the Governor's Executive Order 08-01, if this contract, including any extension options, is or could be in excess of \$50,000, Contractor certifies that it and its subcontractors:

1. Comply with the Immigration Reform and Control Act of 1986 (U.S.C. 1101 et. seq.) in relation to all employees performing work in the United States and do not knowingly employ persons in violation of the United States' immigrations laws; and
2. By the date of the performance of services under this contract, Contractor and all its subcontractors have implemented or are in the process of implementing the *E-Verify* program for all newly hired employees in the United States who will perform work on behalf of the State of Minnesota.

Contractor shall obtain certifications of compliance with this section from all subcontractors who will participate in the performance of this contract. Subcontractor certifications shall be maintained by Contractor and made available to the state upon request. If Contractor or its subcontractors are not in compliance with 1 or 2 above or have not begun or implemented the *E-Verify* program for all newly hired employees performing work under the contract, the state reserves the right to determine what action it may take including but not limited to, cancelling the contract and/or suspending or debaring the contractor from state purchasing..

General Requirements

Proposal Contents

By submission of a proposal, Responder warrants that the information provided is true, correct and reliable for purposes of evaluation for potential award of this work order. The submission of inaccurate or misleading information may be grounds for disqualification from the award as well as subject the responder to suspension or debarment proceedings as well as other remedies available by law.

Disposition of Responses

All materials submitted in response to this SOW will become property of the State and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected vendor. If the Responder submits information in response to this SOW that it believes to be trade secret materials, as defined by the Minnesota Government Data Practices Act, Minn. Stat. § 13.37, the Responder must: clearly mark all trade secret materials in its response at the time the response is submitted, include a statement with its response justifying the trade secret designation for each item, and defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State's award of a contract. In submitting a response to this RFP, the Responder agrees that this indemnification survives as long as the trade secret materials are in possession of the State.

The State will not consider the prices submitted by the Responder to be proprietary or trade secret materials.

Conflicts of Interest

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposals. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

The responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the Assistant Director of the Department of Administration's Materials Management Division ("MMD") which must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organization conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to MMD, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve the State's rights.

Preference to Targeted Group and Economically Disadvantaged Business and Individuals

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors shall receive the equivalent of a six percent preference in the evaluation of their proposal. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at mmd.help.line@state.mn.us. For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

Veteran-owned/Service Disabled Veteran-Owned Preference

In accordance with Laws of Minnesota, 2009, Chapter 101, Article 2, Section 56, eligible certified veteran-owned and eligible certified service-disabled veteran-owned small businesses will receive a 6 percent preference in the evaluation of their proposal.

Eligible veteran-owned and eligible service-disabled veteran-owned small businesses should complete the Veteran-Owned/Service Disabled Veteran-Owned Preference Form in this solicitation, and include the required documentation. Only eligible, certified, veteran-owned/service disabled small businesses that provide the required documentation, per the form, will be given the preference.

Eligible veteran-owned and eligible service-disabled veteran-owned small businesses must be currently certified by the U.S. Department of Veterans Affairs prior to the solicitation opening date and time to receive the preference.

Information regarding certification by the United States Department of Veterans Affairs may be found at <http://www.vetbiz.gov>.

Foreign Outsourcing of Work Prohibited

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by subcontractors at all tiers.

Indemnification and Hold Harmless

The Contractor must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this contract by the Contractor or the Contractor's agents or employees. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligations under this contract.

